



Media Release

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Santos signs MOU to support green steel transformation of Whyalla steelworks in South Australia

Santos has signed a memorandum of understanding (MOU) with one of South Australia's biggest commercial industrial gas users, Liberty Primary Metals Australia Pty Ltd (part of GFG Alliance), to enter into discussions for gas supply combined with carbon capture and storage (CCS) opportunities to support the green steel transformation of the Whyalla steelworks.

Santos Managing Director and CEO Kevin Gallagher said the MOU to supply abated natural gas is aimed at assisting the GFG Alliance in its decarbonisation pathway as it transitions to a Direct Reduction Plant (DRP) in Whyalla that can process local magnetite ore to produce low-carbon iron. The DRP will initially use a mix of natural gas and green hydrogen as the reducing agent, with the aim of fully transitioning to green hydrogen as it becomes available at scale.

The MOU includes a joint pre-feasibility study of CCS opportunities aimed at abating emissions from the Whyalla iron and steel works. This could see GFG Alliance become the first domestic third-party customer for Santos' flagship carbon capture and storage project at Moomba.

Santos Managing Director and CEO Kevin Gallagher applauded the GFG Alliance for its green steel ambitions and said that natural gas combined with CCS could provide an accelerated, affordable decarbonisation pathway while green hydrogen is being developed at scale.

Mr Gallagher, "We've been a gas supplier to Whyalla for many years and we're pleased to be working with GFG on its green steel journey. We're seeing strong interest in abated natural gas domestically and internationally. This MOU is great news for the Upper Spencer Gulf and South Australia because industries like the Whyalla steel works rely on affordable energy combined with decarbonisation to grow into the future – keeping jobs, skills and business opportunities here in the region to support vibrant local communities for decades to come."

GFG Alliance Executive Chairman Sanjeev Gupta said, "I am very pleased to be working with a strong partner in Santos on natural gas supply for our operations, necessary for the transition to hydrogen. Furthermore, we are happy to support and applaud the pursuit of Santos's carbon capture and storage ambitions which could play a significant role in reducing residual emissions from our steelworks."

Liberty Primary Steel and Mining CEO Sandip Biswas said, "Whyalla has all the elements required to lead the green steel industry in one location – vast reserves of high-quality magnetite, abundant potential for the generation of renewable energy, a cape-sized capable sea port, a skilled workforce, extensive existing infrastructure, a supportive community, collaborative governments and now a secured pathway to offtake natural gas and decarbonisation collaboration."

Media enquiries

Ken McGregor
+61 (0) 401 037 140
Ken.McGregor@santos.com

Investor enquiries

Brian Massey
+61 8 8116 7354 | +61 (0) 432 099 391
Brian.Massey@santos.com

Santos Limited

ABN 80 007 550 923
GPO Box 2455, Adelaide SA 5001
T +61 8 8116 5000 | F +61 8 8116 5131
santos.com